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**UNITED STATES AND JORDAN REACH AGREEMENT
ON A BILATERAL INVESTMENT TREATY**

United States Trade Representative Charlene Barshefsky and Jordan's Minister of Planning, Dr. Rima Khalaf, yesterday reached agreement on a Bilateral Investment Treaty (BIT). This treaty provides strong guarantees to investors from the United States and Jordan and should deepen and strengthen the economic ties between the two countries.

"The U.S.-Jordan Bilateral Investment Treaty demonstrates the commitment of both countries to increased economic cooperation," Ambassador Barshefsky said. "We hope that this agreement helps Jordan in its ambitious economic reform program and serves to strengthen the Middle East peace process."

The U.S.-Jordan Bilateral Investment Treaty underscores U.S. support for Jordan's continuing efforts to transform its economy, to increase the role of the private sector and to create an investor-friendly business climate. Over the past several years Jordan has streamlined investment procedures, created tax and investment incentives, reduced tariffs and simplified customs procedures. The United States welcomes these important steps and looks to the private sector to take advantage of the many emerging business opportunities in Jordan and throughout the Middle East.

The new Treaty provides the following protections:

- the better of national treatment or most-favored-nation treatment to investments in the partner country;
- limits on expropriation of investments and compensation according to world standards if an expropriation should occur;

- guarantee of free transfers of funds into and out of the partner country;
- limits on a host government's ability to require a party's investors to adopt inefficient and trade distorting practices (performance requirements);
- the right to international dispute settlement should a problem arise; and
- the right of each party's investors to engage the top managerial personnel of their choice, regardless of nationality.

Background

This will be the 39th Bilateral Investment Treaty signed by the United States since 1982. Twenty-eight of those are now in force.